addressed our concerns in this regard. While we are still open to remedial action from the EU side, India sought the establishment of a panel in the dispute. The Dispute Settlement Body (DSB) has, during its meeting on 22nd January, 2003, established the panel to examine India's claim in the dispute.

Changing the duty entitlement passbook rates

915. DR. T. SUBBARAMI REDDY: Will the Minister of TEXTILES be pleased to state:

(a) whether the readymade garment exporters are gradually losing their competitiveness in quota markets like the United States, European Union and Canada on account of escalating cost at home and high import duty imposed by these countries;

(b) if so, whether the revenue department has initiated a move to verify the present market value of exports to fix duty entitlement passbook rates;

(c) whether Government has received the revenue department's report on this; and

(d) if so, the steps being considered by Government to change the duty entitlement passbook rates to help the garment exporters?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) As per data reported by Apparel Export Promotion Council, readymade garment exports to quota countries (United States, European Union and Canada) increased from US$3902.6 million in 2001 to US$ 4104.3 million in 2002, thereby recording a growth of 5.2%.

(b) and (c) There is no relationship of competitiveness with verification of Present Market Value (PMV) of exports. However, Department of Revenue has issued a Circular No. 77/2002-Cus. dated the 27th November, 2002, prescribing guidelines for present market verification under Duty Entitlement Passbook (DEPB) Scheme. As per the circular, PMV is not to be resorted to in a routine manner and should be undertaken only on the basis of intelligence and concrete evidence.

(d) After taking into Special Additional Duty of Customs (SAD) factor in DEPB Scheme, Department of Commerce have issued a Public Notice

No. 62(RE-2002)/2002-07 dated the 17th February, 2003 wherein the DEPB credit rates for the textile sector including garments have been revised upwards. The upward revisions in the DEPB rates are in the range of 1-4%.

Import duty on silk

916. SHRI JANARDHANA POOJARY:
SHRI H.K. JAVARE GOWDA:

Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that excess dumping of silk from China has adversely affected the silk sector in the country;

(b) if so, the details in this regard, with relevant cost figures for the raw material and the final product, State-wise and year-wise for the last three years;

(c) the details of measures taken by Government to protect the indigenous silk producers;

(d) whether Government is contemplating to enhance the import duty on silk as one of the measures to protect the Indian silk sector; and

(e) if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) and (b) Investigations have come to the conclusion that there has been dumping of raw silk by China which has adversely affected the domestic raw silk producers. Quantity and value of raw silk imports into the country from China and the average prices of filature/cottage basin in major silk markets in the country over three years is given in the enclosed Statement-I and II respectively (*See* below). Details of unit value realisation from value added products such as made ups, furnishings, fabrics, apparel, garments etc. are not maintained.

(c) 1. CSB operates Raw Material Banks and provides Margin Money Loan to the State Marketing Agencies to ensure fair price to primary farmers. Besides, in the major markets, State Government agencies such as the Karnataka Silk Marketing Board play a stabilizing role by their presence in the market.